



# The Real Facts

*A Critical Analysis of the Bush Administration's Claims on CAFTA  
Prepared by the Democratic Staff of the Ways and Means Committee*

*April 18, 2005*

## ***A World Apart: Basic Worker Rights in Morocco and the CAFTA Countries***

***MYTH:*** *The Bush Administration argues that worker rights in the CAFTA countries are comparable to or better than those in Morocco.*

***REALITY:*** *Morocco's legal protections for working people and its record of enforcing basic worker rights are much stronger than those of the CAFTA countries.*

### **SUMMARY**

Morocco's legal protections for working people and its record of enforcing basic worker rights are much stronger than those of the CAFTA countries.

- The **history and context** of worker rights in Morocco is one of respect, driven by the important role played by unions in Morocco's independence movement. In the CAFTA countries, by contrast, "both government and industry have 'an explicit intent to destroy unions.'"
- In Morocco, the government demonstrated the **political will** to address problems in laws and enforcement by using the FTA negotiations as a reason to adopt sweeping reforms to its labor laws in 2003. In sharp contrast, the CAFTA countries have continued to deny obvious deficiencies in law even exist.
- As a result of the 2003 reforms, **Morocco's laws reflect basic, internationally recognized standards**. The situation in the CAFTA countries is the opposite – numerous State Department, ILO, and NGO reports confirm that the laws in the CAFTA countries do not meet even these basic standards.

### **DETAILED COMPARISON**

#### **History and Context: Essentially Respect vs. "Intent to Destroy"**

- In Morocco, there is a 50-year tradition of respect for workers' rights to organize, driven by the important role that unions played in Morocco's independence movement in the 1950s. Additionally, Morocco inherited a basically worker-friendly legal foundation and industrial structure from France. This is reflected in an active union movement, with five major national union federations and a tradition of sector-level collective bargaining.
- In sharp contrast, an anti-union legacy still permeates most of the CAFTA countries. For instance, the Washington Post recently reported that El Salvador's independent government appointed Human Rights Ombudsman "said **both government and industry have 'an explicit**

**intent to destroy unions.”** (“Slaying of U.S. Labor Organizer Opens Old Wounds in El Salvador,” *Washington Post*, December 2, 2004).

- Perhaps because of the more positive and collaborative relationship with workers’ organizations, the independent labor movement in Morocco supported the FTA.
  - The independent unions in the CAFTA countries oppose the FTA. Regrettably, some supporters of CAFTA have resorted to citing endorsements of company-controlled “protection organizations” as evidence of worker support for CAFTA.

#### **Political Will to Address Problems: Significant Reform vs. Denial**

- After negotiations began on the Morocco FTA, Morocco realized it needed to reform its worker rights laws to bring them into compliance with basic international norms. In 2003, Morocco undertook a major “social dialogue” involving the Government of Morocco and representatives from the business community and the major worker federations. This “social dialogue” resulted in the adoption of significant labor law reforms, which reflected a common agreement among all three groups.
  - In contrast, the CAFTA countries first argued that their laws met basic ILO standards and refused to concede the need for reforms. Then, when pressed with clear evidence to the contrary, the countries asserted that they were going to fix the problems. Most recently, the countries have returned to denying that any problems exist. Although USTR used to talk about a “third track” of making needed reforms to the CAFTA countries’ labor laws, after two years of inaction USTR has now become a partner in denial.

#### **Basic ILO Worker Rights: Essentially Compliant vs. Clearly Inadequate**

- As a result of the 2003 reforms, Morocco’s labor laws are now essentially compliant with the five basic ILO worker rights (the rights to associate and bargain collectively, prohibitions on child labor, discrimination, and forced labor).
  - In contrast, the CAFTA countries’ laws do not reflect basic international norms – a fact reflected in numerous reports by the State Department (including the 2004 Country Reports on Human Rights Practices), the ILO, and various NGOs. None of the CAFTA countries has undertaken any significant labor law reform since the CAFTA negotiations began. In fact, labor laws in at least one of the CAFTA countries have been weakened in recent years.

#### **Enforcement Record: Enforcement vs. Impunity**

- Morocco’s labor ministry and judicial system generally have played an active and constructive role in enforcing worker rights and resolving labor disputes in Morocco.
  - In sharp contrast, there is general impunity throughout the CAFTA countries for companies that violate the basic ILO worker rights – including companies that use intimidation and violence to suppress workers. As the El Salvador Government’s Human Rights Ombudsman observed: **“The Ministry of Labor and Social Welfare has not demonstrated a real will to guarantee in practice the rights of workers .... [T]he authorities of that Ministry ... tolerate and promote an anti-union culture in the country.”**